

US EXECUTIVE APPROVAL FORM

Mitre Corporation

HQAPP Requests:

1. 45% discount (20% above store)
2. Waive user minimums (10% and 10% employee minimums) for ebusiness suite

Deal Summary:

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Programs	200 Professional Users 54 IDS Named Users
License Discount	25% (ebiz + 20%)
Support Discount	25 % (ebiz + 20%)
List License	\$1,070,000
List Support	\$235,400
Net License	\$282,324 (after License Credit from Migration)
Net Support	\$206,094.35
Net Total Price	\$487,418
Price List Used	March 7 th

Justification:

Mitre has been using Oracle financials and projects since 1993 but has not purchased any additional Oracle modules since that time. Instead, over the last 10 years, they have pursued a 'best of breed' strategy. This strategy has created a situation where Oracle is at risk of being displaced by another vendor, specifically Peoplesoft, which Mitre runs for HR. Both Oracle and Peoplesoft are aggressively pushing the message of enterprise, integrated footprint. The Oracle advocates see the ebusiness suite migration as an opportunity to influence the direction on future projects (PRM, iexpense, itime, iprocurement) towards Oracle versus best of breed or Peoplesoft since they will already have license access to these products. In addition, they have a long standing perception that Oracle is more expensive than alternative solutions, so we need to be aggressive to make this migration financially attractive.

Mitre is very interested in the opportunity the ebusiness suite pricing model allows for access to a broader suite of products. However, the costs for the migration while meeting the minimums is cost prohibitive and would keep them from being able to move forward today. They are purchasing additional licenses beyond their current usage to allow access to the new products they will have access to and will purchase more licenses as that usage expands.

Recommendation:

Mins are 500, they are buying 200, and only need 125. Discounts are high enough that I would push back on this. About \$300K credit. Q4 special... as long as they get upgrade fee and existing. Approve.

Submitted By: *Walter McCourt John Boucher*

R: 05/23/03
C: 05/23/03
L: 05/23/03
A: 05/23/03
BP: SWONG

